School Year 2021-22



Connecticut State Department of Education
Bureau of Health/Nutrition, Family Services and Adult Education
Child Nutrition Programs
450 Columbus Boulevard, Suite 504
Hartford, CT 06103-1841

October 2021

Connecticut State Department of Education

https://portal.ct.gov/-/media/SDE/Nutrition/CNPsystem/ Financial_Report_Instructions_SNP.pdf

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This guide applies to sponsors of the National School Lunch Program (NSLP) including the Afterschool Snack Program (ASP), School Breakfast Program (SBP), Seamless Summer Option (SSO) of the NSLP, and Special Milk Program (SMP). All sponsors must submit their financial report online, using the Connecticut State Department of Education's (CSDE) Online Application and Claiming System for Child Nutrition Programs (CNP System). The CSDE strongly encourages all sponsors to complete their financial report by **October 31, 2021**.

CSDE Contact Information

For questions regarding this information, please contact the school nutrition programs staff in the CSDE's Bureau of Health/Nutrition, Family Services and Adult Education.

School Nutrition Programs Staff				
County	Consultant			
Fairfield County (includes Region Litchfield County (includes Region and 14)	Fionnuala Brown fionnuala.brown@ct.gov 860-807-2129			
Hartford County (includes Region Middlesex County (includes Region	Teri Dandeneau teri.dandeneau@ct.gov 860-807-2079			
New Haven County (includes Reg New London County Tolland County (includes Regions Windham County (includes Region	Susan Alston susan.alston@ct.gov 860-807-2081			
	Summer Meals			
Summer Food Service Program (SFSP) transitioning to the Seamless Summer Option (SSO) of the NSLP	Caroline Cooke Terese Maineri 860-807-2144 860-807-2145 caroline.cooke@ct.gov terese.maineri@c			
SSO Contact the consultant for the district's county above				
Connecticut State Department of Education Bureau of Health/Nutrition, Family Services and Adult Education Child Nutrition Programs 450 Columbus Boulevard, Suite 504 Hartford, CT 06103-1841				

For more information, visit the CSDE's School Nutrition Programs webpage.

Overview of Requirements

The U.S. Department of Agriculture (USDA) Food and Nutrition Service (FNS) Code of Federal Regulations (CFR) outlines the regulations for operating the National School Lunch Program (NSLP). Section 7 CFR 210.14 (a) of the NSLP regulations requires that:

- school food authorities (SFAs) must maintain a nonprofit status for the school food service program; and
- any revenues must be used only for the operation or improvement of the food service program.

Section 7 CFR 210.14 (b) requires that SFAs must limit their net cash resources to an amount that does not exceed three months' average expenditures for the nonprofit school food service. As defined by 7 CFR 210.2, net cash resources means "all monies, as determined in accordance with the State agency's established accounting system, that are available to or have accrued to a school food authority's nonprofit school food service at any given time, less cash payable. Such monies may include, but are not limited to, cash on hand, cash receivable, earnings on investments, cash on deposit and the value of stocks, bonds or other negotiable securities." To maintain the nonprofit status required for the food service account, the fund balance (net cash resources) of the account cannot exceed three months' average expenditures at any time.

This document provides instructions for SFAs on how to complete the annual financial report and submit to the CSDE. Sponsors must complete this report annually in the CSDE's Online Application and Claiming System for Child Nutrition Programs (CNP System). Completion of this report allows the CSDE to monitor each SFA's compliance with the end-of-year fund balance (net cash resources), as required by the NSLP regulations.

For more information, refer to the USDA's Indirect Costs Guide. This guide describes the financial management requirements for state agencies and SFAs operating the school nutrition programs.

Instructions

- 1. Gather all of the financial data needed to complete the financial report **before** starting the report. For information on the required income and expenditure categories, see step 8. Note: You will have one opportunity to enter the data.
- 2. Access the CSDE's Online Application and Claiming System for Child Nutrition Programs (CNP System) at https://ct.cnpus.com/prod/Splash.aspx.



3. Log in with your **User ID** and **Password**.

4. Click on **School Nutrition Programs**.



5. Click on **Applications**.



6. Click on **Financial Report**.

Application Packet	Applications Forms (Sponsor and Site)
Verification Report	Mandatory Annual Verification Report
Verification Summary	Mandatory Annual Verification Report (FNS-742) Summary
Food Safety Inspections	Number of Food Safety Inspections by Site
FFVP Application Packet	Fresh Fruit and Vegetable Program Application Forms (SFA and Site)
Financial Report	School Food Annual Revenues and Expenditures Report
Site Enrollment	Site Enrollment and Eligibility
Community Eligibility Provision	Enrollment and Eligibility for Community Eligibility Provision
USDA Waivers	USDA Waivers available for participation
Download Forms	Forms Available for Downloading
Healthy Food Certification	Healthy Food Certification

7. Click Add for School Year 2021-22.

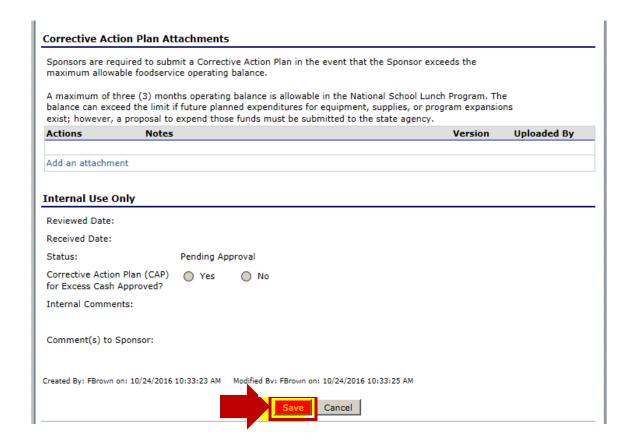
Note: Do not click Add until all financial data is available to enter.



8. Under **Revenues and Expenditures**, enter the appropriate amount into each field. For information on each category, refer to "Category Description for Revenues and Expenditures" in this document. When complete, check the **certification box** at the bottom of the page.

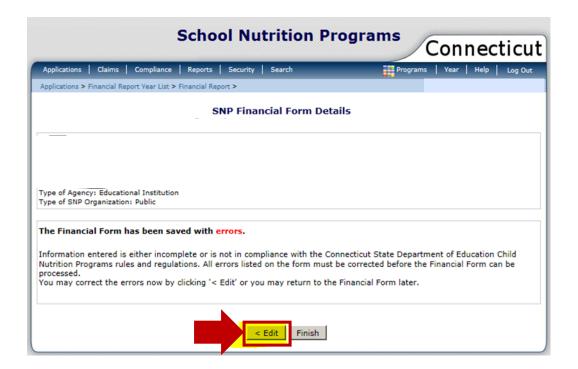
	Re	venue for Reporting Period	
4	a.	Cash From Daily Sales	\$
ı	b.	Other Local Revenue	\$
	c.	BOE Subsidies to Food Services Dept.	\$
(d.	Total Revenue	\$0.00
	Ex	penditure for Reporting Period	
4	a.	Purchased Food Used	\$
	b.	Direct Labor	\$
(c.	Employee Benefits	\$
(d.	Purchased Services	\$
1	e.	Equipment Purchase	\$
1	f.	Supplies / Miscellaneous	\$
9	g.	BOE Subsidies	\$
	h.	Total Costs	\$0.00
	Co	mputed Operating Position	
4	a.	Ending Cash Balance	\$
	b.	Accounts Receivable	\$
	c.	Value of Inventories on Hand	\$
-	d.	Total 3A + 3B + 3C	\$0.00
1	e.	Minus Accounts Payable	\$
1	f.	Computed Operating Position (3D-3E)	\$0.00
1	g.	Number of Operating Months	
ı	h.	Three Month Average Operating Cost (2H/3G)*3	\$0.00
i	i.	Excess Balance (3F-3H)	\$0.00

9. After entering all data, click **SAVE** at the bottom of the page. This prompts the form to complete the calculations and the designated fields will populate automatically.



Note: If a positive amount appears in field 3i (Excess Balance), an **error message** will appear because the sponsor exceeds the allowable three months' operating cost. A corrective action plan is required.

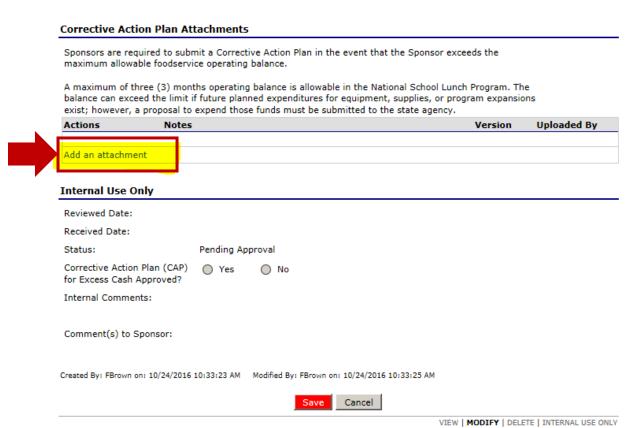
Click **Edit** and review the error message.





For assistance with errors that are **not** Code 18711, contact your school nutrition programs county consultant.

If the error message indicates an excess balance exists, click **Add an Attachment** to upload your specific corrective action plan.



Category Descriptions for Revenues and Expenditures (Step 8)

This section describes the revenue and expenditure categories that SFAs must enter in step 8.

1. Revenue for Reporting Period

- a. **Cash from Daily Sales:** Includes the total amount of money that cashiers receive for paying students, adult meals, and a la carte sales (foods and beverages sold separately from reimbursable meals).
- b. Other Local Revenue: Cash received from catering and other local sources such as interest income on bank accounts. Do not include state matching funds and federal reimbursements.
- c. **BOE Subsidies:** Money that the board of education provides to subsidize the school food service program, such as the food service director's salary, health benefits, and equipment purchases. This also includes any in-kind services (services provided by the BOE but not charged to the school food service account), such as maintenance, electricity, gas, and telephone.
- d. **Total Revenue:** The CNP System calculates this amount automatically (a + b + c).

2. Expenditures for Reporting Period

- a. **Purchased Food Used:** The total cost of all foods and beverages used, including government commodities at the storage and processing rate.
- b. **Direct Labor:** Include all food service employee salaries such as food service director, secretary, managers, cooks, general workers, cashiers, truck drivers, and any other food service employees.
- c. **Employee Benefits:** Includes all fringe benefits such as FICA, workers' compensation, health insurance, sick leave, uniforms, and physicals.
- d. **Purchased Services:** Includes all purchased services such as food service management fees, armored services, and exterminators.
- e. **Equipment Purchased:** Includes all equipment purchases including capital purchases and smaller items intended for long term use such as tables and chairs.
- f. **Supplies/Miscellaneous:** The total cost of all supplies used, such as paper, cleaning, expendable equipment under \$500, and delivery charges for government commodities.

- g. BOE Subsidies: Include the cost of BOE subsidies to reflect the cost of operating your program. This figure should equal the BOE subsidy amount listed in 1c of section 1, "Revenue for Reporting Period." Note: Do not include this figure in other expense areas.
- h. **Total Costs:** The CNP System calculates this amount automatically (a + b + c + d + e + f + g).

3. Computed Operating Position

- a. Ending Cash Balance: The cash balance in the bank as of June 30, 2021, including checking, savings (all forms), petty cash, and posted interest.
- b. **Accounts Receivable:** Includes all payments due, such as federal reimbursements and money owed from students and adults.
- c. Value of Inventories on Hand: Ending inventory as of June 30, 2021, of purchased food, government commodities (at the storage and processing rate), and supplies.
- d. Total 3A + 3B + 3C: The CNP System calculates this amount automatically (a + b + c).
- e. Accounts Payable: Any unpaid bills after June 30, 2021.
- f. **Computed Operating Position (3D-3E):** The CNP System calculates this amount automatically.
- g. **Number of Operating Months:** Record the number of months the Child Nutrition Program operated. Partial months count as a month. Include summer months if the sponsor is operating the seamless summer option (SSO) of the NSLP, an extended school year, or an official required academic summer school program.
- h. Three Month Average Operating Cost (2H/3G*3): The CNP System calculates this amount automatically.
- i. Excess Balance (3F-3H): This amount calculates automatically. Note: If an amount appears in this field, the sponsor exceeds the allowable three months operating cost and a corrective action plan is required. Click **Add an Attachment** to upload your specific corrective action plan.

